

# Funding Policy - April 1987

## The National Catholic Education Commission

The National Catholic Education Commission was established by the Australian Episcopal Conference in 1974 to act at national level on behalf of Catholic education. It is responsible for developing advice and policy on all aspects of involvement of the Church in education in Australia.

Current membership of the National Catholic Education Commission is:

- Sir Bernard Callinan (Chairman), A.C., C.B.E., D.S.O., M.C.
- Most Rev. F.P. Carroll
- Rev. T.M. Doyle
- Mr. A. Druery
- Mr. L. Dunne
- Rev. J. Franzmann, MSC
- Sister H. Lombard, SGS
- Most. Rev. P.L. Murphy
- Rev. F.J. Neill, OP
- Dr. L. O'Dwyer
- Mr. K. D. O'Sullivan
- Sister Mary Reardon, RSJ
- Rev. J. Rheinberger
- Miss P. Ryan
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### ***ENDORSEMENT***

*The Conference of Australian Catholic Bishops endorses the following statement of the National Catholic Education Commission on School Funding Policy.*

*The Statement contains Basic Considerations and Guiding Principles that are integral to the Catholic position.*

*In practical applications the Statement clearly addresses the actual rather than an ideal situation. The Bishops continue to emphasize the right of every Australian child to share equitably in the public expenditure on education. They also stress the need for Governments to eliminate the still substantial financial discrimination suffered by parents and children who exercise their right to choose non-government schooling.*

+ *Francis P. Carroll*  
*Chairman*  
*Bishops Commission for Education*

*April 1987*

## **NATIONAL CATHOLIC EDUCATION COMMISSION**

### **SCHOOL FUNDING POLICY**

#### **A. BASIC CONSIDERATIONS**

The National Catholic Education Commission shares the concern of the Australian Church for the quality of education available to all people in Australia, and, in particular, for the educational welfare of all Australian children and all Australian schools.

This is based on the concept of the intrinsic worth and dignity of each person and of each child served by schools, be they government, Catholic or other non-government schools.

Each person, and therefore each child, is entitled to an education (including schooling) that will assist each to develop her or his potential.

The influence of the family in this development is vitally important. Parental and family influence is the basis on which the school builds, and it continues to enhance, to limit and to qualify what the school may do for the child. Hence a role of the school is to collaborate closely with parents, and, where possible and as far as possible, to promote the legitimate values, wishes and hopes of parents for their children.

Government policy should support the place of the family in education and in society. Systems of public funding should therefore work towards the consolidation of family structures.

The Commission recognises that schools have to operate in a society of complex and changing family structures and of diverse community structures. This requires sensitivity in the effort to give effect to the rights of individuals and of communities involved in the provision of education.

The Commission declares that the State has an obligation to ensure the provision of educational services. Taking into account the pluralism of a democratic society, the principle of the right of individuals to freedom of choice in education, and the rights of individuals and groups to an equitable share in community resources, the State should permit, foster and support a range of schooling that suitably reflects the diversity of beliefs and values of the Australian community.

This support of diversity in the provision of schooling should be evident in the pattern of public spending on education. The Commission recognises that in the practical order an appropriate balancing of rights is required. The equitable distribution of the community's

resources must be made with due regard for the preservation of diversity in education and of the scope for effective freedom of choice.

## **B. GUIDING PRINCIPLES**

*Those responsible for providing education are faced with a complex and interacting network of rights and obligations affecting children, parents, other adults, families, various other communities and the total society. The National Catholic Education Commission considers that justice for all will be ensured only if the following principles are observed:*

All children have a right to share equitably in the public expenditure on education. This derives from the principle of every citizen's right to freedom of choice in education. This right is guaranteed only if State and Federal Governments ensure that all citizens, all children, have access to public funds for education, irrespective of the school chosen by parents. Such distribution of funds must take into account the general educational needs of every child, and also the particular needs of children disadvantaged educationally by social, economic, geographic, cultural, physical and other factors. The use of public funds must express in concrete terms each person's right to share in the community's education resources, in the context of the general state of the economy, the resources available to the schools under consideration and to the parents' economic state.

Parents are the first educators of their children. Hence they have the primary obligation and right to ensure an adequate education for their children. Wherever possible, therefore, government expenditure should enable them to choose a type of schooling consistent with their rights and obligations and with their beliefs and values. This legitimate exercise of the right of choice is to be made with due regard for appropriate community educational standards and equitable distribution of the community's educational resources.

Where there is sufficient parental and community support to enable the schools to meet educational and other standards set by legitimate authority, groups which share particular beliefs and interests within society should be free to open and conduct schools, and governments should make this freedom real by providing educational resources for such schools.

Those responsible for the conduct of schools should be free to promote and protect the specific character of a school, by determining enrolment policies, choosing staff and developing curricula in accordance with the underlying philosophy and specific nature of the education offered by each school or system of schools.

School authorities have the right and duty to ensure that proper standards of education, of teaching of safety and of health and welfare are maintained, in accordance with appropriate norms, including those set by governments.

Governments should work towards equity in the provision of educational opportunity for all children, and should ensure that every child has access to an education of satisfactory quality.

The distinctive character of schools depends greatly on the supply of teachers suitably qualified for and committed to the educational philosophy of the schools. Government expenditure, therefore, should support the pre-service and continuing education of teachers in a manner accommodated to the specific nature of such schools or systems of schools.

The educational standards of all schools should continue to be subject to certification, registration procedures and monitoring prescribed by appropriate government authorities.

### **C. ACCOUNTABILITY**

*Catholic schools have a responsibility to account for their ethos, their educational standards and their use of funds to their supporting community, to parents and to appropriate church authorities. All schools are responsible to the appropriate government authorities – and through them to the Australian public – for the use of funds received through government grants. The question of accountability should be seen in the context of the rightful autonomy of each school.*

The Commission bases its argument for the public funding of all schools on principles of justice. These principles are embodied in the rights of parents to choose a form of schooling appropriate to their need to fulfil an obligation to educate their children. The Commission acknowledges that appropriate accountability requirements are attached to this right.

This appropriate accountability recognises:

The obligation of educational accountability to parents and school communities, and to appropriate church authorities

The need for financial accountability for government funds and the associated need, within the normal limits of confidentiality, to provide information directly relevant to the establishment of funding entitlements.

The Commission believes that all Catholic school authorities should develop informative accountability procedures.

The Commission recognises that consistently accurate data are essential to the funding procedures of the Commonwealth, which involve assessment of the relative needs of schools for recurrent funds.

Data collected for monitoring resource standards must be sufficiently comprehensive to allow for appropriate comparisons to be made between standards in government schools and those in non-government schools.

In asserting that school authorities have a right and duty to ensure that proper standards of education are maintained in accordance with appropriate norms (cf. article 16 above), this Commission acknowledges that these norms include those set by governments. However, where differences arise between objectives of governments and those established by the Catholic community as essential to the character of Catholic education, the latter must prevail and no penalties, financial or otherwise, should result.

This Commission expects adequate consultative processes with the Minister, and Commonwealth Education Authorities, on any proposed alterations to accountability requirements.

### **D. GENERAL RECURRENT GRANTS**

The Commission maintains that, while the present financial arrangements between the Commonwealth and individual States and Territories continue, it is the responsibility of both the Commonwealth and each State or Territory to provide a basic grant for recurrent schooling costs for every Australian child.

Moreover, the Commission maintains that the equitable distribution of educational funds and the establishment of priorities in this distribution require that major consideration be given to the differing educational needs of children (cf. article 9 above).

Since the level of resource usage in Australian government schools is set by the decisions of State and Territory Governments, these Governments in fact set the standard for resource usage in Australian schools generally. The level of grants to non-government schools should therefore be based upon a common reference point drawn from government school recurrent resource decisions. Suitable reference points include the average cost of educating a child in a government school or the concept of an assessed "community standard" applicable to both government and non-government schools.

The Commission emphasises the importance of funding which is stable, long term in perspective and commitment, and provides adequate protection for all schools. Any review of the formulae used in the determination of grants to non-government schools should involve the participation of all parties concerned, including representatives of non-government schools.

The Commission believes that the assessment of private effort in funding arrangements should focus upon the items school authorities can predict and control. It therefore believes that monitoring of private effort should be directed at collections derived from fees or related cash inputs. As contributed services lie largely outside the control of school management, their imputed value should not be included in measurements of private effort.

The Commission endorses the notion of co-operative, co-ordinated planning for new school places. Demographic, social and economic changes create the need for new places in both government and non-government schools. In some circumstances this need may not occur simultaneously in both sectors. Proper public planning will reflect the community's demand for these places and establish priorities for funding accordingly. Fiscal considerations must then be directed at servicing these priorities in a way which does not frustrate the legitimate demand for places in non-government schools.

Since the funding of non-government schools involves public administrative decisions affecting the rights of citizens, principles of natural justice may apply. These principles include relevant and just appeals procedures which should not be unduly burdensome in terms of documentation or financial cost.

The Commission believes that good administration is based on the principle of subsidiarity. This implies that the most appropriate decision-making level is that where the decision can properly be carried nearest to the individual or group being served.

## **E. CAPITAL FUNDING**

The establishment and maintenance of any system of schooling entails the outlay of large amounts of capital funds so that a genuine right to choice in schooling can be

exercised. These funds should be distributed in accordance with the Guiding Principles set out above (cf. especially Articles 9,10 and 11).

Government guidelines with respect to capital funding should be sufficiently flexible to meet particular needs, whether for upgrading or for new places. The Commission emphasises that, as for general recurrent grants, there is need for capital funding which is stable and long term in perspective and commitment.

Proper planning aims at ensuring that capital facilities will become available to meet student needs when and where the need exists. The timing and flow of capital funds are therefore essential elements in such planning.

An administrative process sensitive to need is one which draws upon the principle of subsidiarity referred to in article 31 above. In the context of capital funding, this implies a devolved system based upon block grants to system or group authorities and a processing of applications at that level, with appropriate accountability provisions in recognition of the public interest in the use of public funds.

Where the government may wish to establish national allocations of capital funds to specific works, this should be done only with proper consultation with school and system authorities. Such consultation should include appropriate representation on the decision-making bodies.

The Commission supports the forward commitment of some capital funds to help school and system authorities in the proper planning of school development.

Commonwealth capital funds, as well as being available for tuition facilities and for residential accommodation for students and supervising staff in boarding facilities, should be available for staff accommodation in country areas.

## **F. INTEREST SUBSIDIES**

The Commission supports interest subsidies as a form of funding assistance to non-government schools by State and Territory Governments. The subsidy should be maintained at a level which reflects current market rates and should apply to all forms of capital borrowings, including bridging finance.

## **G. CAPITAL/RECURRENT NEXUS**

Catholic schools have operated with models of financial management which have not necessarily discriminated between private income for recurrent and capital purposes. While the Commission acknowledges the right of governments to fund schools through separate recurrent and capital programs, it requests that traditional private funding procedures of Catholic schools be acknowledged. The use of some proportion of private recurrent income for the provision of capital and for debt servicing will in some cases best serve the educational needs of students.

## **H. SPECIFIC PURPOSE PROGRAMS**

The Commission supports the establishment of programs for specific education purposes to meet the special needs of particular groups of children.

The Commission believes that specific purpose programs need to be developed in such a way that they permit predictability and stability of funding, adequate lead-time for implementation and sufficient notice of termination. This will minimise dislocation of a pattern of activity which may have become an integral part of the total schooling experience.

## **I. OTHER PAYMENTS**

The Commission endorses and encourages governments in the establishment of support programs for students and their parents. Such programs are particularly valuable to the extent that they make participation in formal education an attractive option for young people of post-compulsory school age.

Drawing upon the considerations expressed in articles 4 and 5 above, however, the Commission emphasises that support payments should encourage ongoing education within a family setting. This means that, unless circumstances require that alternative procedures be followed in specific cases, payments to support students at school should be made to their parents.

The Commission believes that the provision of school transport subsidies by State and Territory Governments to parents and students in non-government schools is an integral element in the exercise of freedom of choice.

Where daily travel to school is not a possibility, governments at all levels have an obligation to facilitate the education of isolated children by means of capital and recurrent support of boarding schools and hostels and by travelling and living away from home allowances.

## **J. TEACHER DEVELOPMENT**

The Commission maintains that the kind of education that parents seek for their children in Catholic schools requires a body of teachers who fully understand and accept the ethos of Catholic schools. It further believes that this can be achieved only if the system is able to provide pre-service training, both within Catholic teachers colleges and in association with other institutions of teacher education, and in-service training, both from general resources and from resources set aside by governments for the professional development of teachers.

The Commission believes that sufficient resources and flexible provisions should be available to make it possible for staff and community members to become involved in appropriate in-service activities.

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